



Miami-Dade Court Orders \$17.9M Foreclosure Sale in Blue Lagoon Ownership Dispute

The property is set for foreclosure sale by the Miami-Dade clerk of the court on Oct. 8, if the judgment is not paid off before then.

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Litigation



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The Miami-Dade Circuit Court ruled in an order entered this weekend that Romspen US Mortgage Investment Fund, represented by Am Law 200 firm Shutts & Bowen, is owed nearly \$18 million from company 7 at Blue Lagoon LLC.

The property is set for foreclosure sale by the Miami-Dade clerk of the court on Oct. 8, if the judgment is not paid off before then.

7 at Blue Lagoon ownership was at the center of a prolonged ownership dispute between Caroline Weiss and her daughter, Adeena Weiss, both defendants. Caroline Weiss' entities were listed as the property owners, but Adeena Weiss claimed that her mother fraudulently transferred the deed to those entities.

Meanwhile, Caroline Weiss secured a \$13.3 million mortgage on the property from Romspen, which matured in October 2022 without repayment. The daughter claimed she had an ownership interest in the property when the mortgage was signed and that she did not authorize the mortgage.

The plaintiff, represented by Shutts & Bowen attorneys Lee Mackson and Michelle Hendler, initiated foreclosure proceedings against Caroline Weiss for the unpaid loan and included Adeena Weiss as a defendant due to her ongoing ownership claims.

Caroline Weiss is represented by Michael J. Schlesinger, managing partner at Schlesinger Law Group.

Regarding the ownership, the trial court ruled in favor of Caroline Weiss. She, through her entities, was determined to be the owner of the mortgaged property when she signed the mortgage by both the trial court and the appellate court.

The daughter's efforts to have the ownership issue revisited by the Florida Supreme Court were denied on Friday.

On July 30, Judge Thomas J. Rebull, in the foreclosure case, ruled that Romspen is entitled to a foreclosure judgment since Caroline Weiss' entities own the property and the loan remains in default.

The order was signed on Aug. 10.

According to the order, “The court concludes that borrowers defaulted under the terms of the loan documents and plaintiff is entitled to a final judgment of foreclosure against borrowers as a matter of law.”

Rebull ruled that it is undisputed that the loan is in default, the defendant didn't pay three years of real estate taxes due on the mortgaged property, and the defendant admitted that it failed to pay off the loan when it matured on Oct. 1, 2022. The record shows that the defendant signed the loan documents.

According to the order, the court reviewed the defendant's response to the motion, in which it claimed that the plaintiff failed to fund the loan. However, the court found these claims to be “either legally insufficient and do not prevent summary judgment as a matter of law or do not apply.”

The defendant also attempted to refer to a third amended counterclaim seeking damages. However, the court ruled that the “third amended counterclaim is untimely to oppose the motion and cannot be considered by this court for purposes of opposing summary judgment, pursuant to the Florida Rules of Civil Procedure.”

Neither the defense nor the plaintiffs counsel responded to a request for comment.